

COUNCIL MEETING
PLANNING AND DEVELOPMENT SERVICES

REPORT PB-2024-30
February 18, 2025

SUBJECT: 184 Denistoun Street – Proposed Niagara Regional Housing Project

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RECOMMENDATION:

THAT COUNCIL OF THE CITY OF WELLAND approves a portion of lands municipally known as, 184 Denistoun Street identified as Part 2 in Reference Plan 59R-17992 to be conveyed, at no cost, to Niagara Regional Housing. The purpose is to facilitate the construction of a 78 unit Affordable Housing Development; and further

THAT Welland City Council allow for Niagara Regional Housing to apply for incentives under the Brownfield CIP to support the proposed project; and further,

THAT Welland City Council authorizes an easement over a portion of the Edward Street unopened road allowance.

RELATIONSHIP TO STRATEGIC PLAN

This recommendation is aligned to Council's strategic priority of ensuring "Liveability" by creating a sense of belonging while enhancing mobility by improving access to recreation and community events, ensuring adequate housing options, encouraging job growth, and improving ways to efficiently move people throughout the city.

The City's Housing Needs Assessment & Environmental Scan and Affordable Rental Housing Community Improvement Plan (CIP) have identified that there is high demand for purpose built rental housing that is provided at an affordable rate.

Should Council approve the recommendations of this report, the City will be supporting the need for this housing type by providing serviced land and funding its development and support programs. Subject to the findings of environmental studies, this project may also be considered a brownfield redevelopment.

EXECUTIVE SUMMARY:

In January 2024, Council declared a portion of 184 Denistoun Street as surplus. The Affordable Housing Advisory Committee passed a motion recommending Council convey 184 Denistoun Street at no cost to Niagara Regional Housing for the construction of a seventy-eight (78) unit affordable housing development. Given the site's industrial past, Staff are also recommending that an application be made for the City's Brownfield CIP Incentives.

This report is presented in response to the Affordable Housing Advisory Committee's motion that took place on November 7, 2024 and Niagara Regional Housing's presentation that took place on December 10, 2024.

City Staff recommend conveying the subject portion of 184 Denistoun Street at no cost to Niagara Regional Housing for the construction of the planned affordable housing development.

BACKGROUND:

On January 9, 2024, Welland Council approved the recommendations of Report P&B-2023-60:

THAT THE COUNCIL OF THE CITY OF WELLAND declares surplus to the City's needs, lands on the east side of Denistoun Street, south of Hooker Street, shown in Report P&B-2023-60;

THAT Welland City Council reserves the sale or lease of these lands for an affordable housing project subject to Council approval.

On November 7, 2024, the Affordable Housing Advisory Committee received a presentation from Niagara Regional Housing with regards to the proposed development of a (seventy-eight) 78 unit affordable housing development on a municipally owned surplus property known as 184 Denistoun Street. The Committee passed the following motion recommending for Council to convey the subject lands to Niagara Regional Housing.

THAT COUNCIL OF THE CITY OF WELLAND approve the provision of the property municipally known as 184 Denistoun Street to Niagara Regional Housing at no cost for the construction of at least 78 affordable housing units.

On December 10, 2024, Welland Council referred Staff Report PB-2024-30 with direction for staff to consider for the following matters:

- Reconfigure the proposed access to the Site from Edward Street to Denistoun Street;
- Provide the property to Niagara Regional Housing through a long-term nominal land lease rather than conveyance;
- Provide information regarding the cost to reconfigure the Hooker Street Park soccer field;

DISCUSSION:

Site

The subject parcel, identified as Part 2 in Reference Plan 59R-17992 (Appendix I) is approximately 0.39 hectares. The lands are located south of an Edward Street unopened road allowance, adjacent Hooker Steet Park; and, north of four (4) multi-storey residential apartment buildings.

The lands were identified in the Affordable Housing Site Evaluations and Environmental Scan which listed lands in the City that have the potential for the development of affordable housing.

The subject parcel is currently vacant. It was previously used as a parking lot for Newman Steel, a former large industrial facility. As such, environmental site assessments are needed to determine whether soil or groundwater contamination is present and remediation is required to achieve a Record of Site Condition (RSC).

Zoning

The site is zoned Community Open Space. However, Section 5.30 a) of Zoning By-law 2017-117, as amended provides that Niagara Region, among other government bodies and public agencies is not be prevented from the use of any land including the erection of buildings or structures as a public use.

Proposal: Design and Model

Niagara Regional Housing is proposing to construct, hold and operate a seventy-eight (78) unit affordable housing development at 184 Denistoun Street.

The residential building is planned to be six (6) storeys in height, consisting of five (5) bachelor units, forty-one (41) one-bedroom units, twenty-six (26) two-bedroom units, and six (6) three-bedroom units. The building will also contain: a common room, offices, laundry facility, serving area, and scooter storage on the ground floor. A total of sixty-two (62) parking spaces are proposed on-site.

A three (3) metre wide portion of land located along the eastern boundary of the site (Part 1 of Plan 59R-17992 in Appendix I) is to be retained by the City to accommodate a recreational pathway providing access from the Recreational Waterway to Edward Street and adjacent Hooker Street Park.

A modified primary access is now proposed from Denistoun Street that immediately abuts the southerly lot line of the unopened Edward Street road allowance. Regional Staff advise that the primary driveway access is required to

be located on the unopened road allowance lands to provide sufficient turning radii for waste collection and emergency vehicle movements.

A fence/screen along the length of the proposed building footprint (southerly lot line of 184 Denistoun Street) has been included to improve the privacy for ground floor units abutting that elevation.

Proposed rents for the units are as follows:

- bachelor units (estimated rent rate of \$456/month)
- one-bedroom units (estimated rent rate of \$456/month)
- two-bedroom units (estimated rent rate of \$731/month)
- three-bedroom units (estimated rent rate of \$731/month)

A concept plan for the proposed development is shown in Appendix II.

Hooker Street Park Impacts

The proposed new primary access will encroach further into Hooker Street Park, primarily affecting the southern portion of the park's soccer field (southern goal posts). Community Services staff has confirmed that reducing or removing the soccer field can be considered as it is only passively used and not rentable.

The current soccer field dimensions are smaller than regulation size. As such, moving the southern goal post northward or re-adjusting the field with an east-west orientation would not have a significant impact to the field's use. The cost associated with moving both the existing north and south goal posts is approximately \$10,000.00 (subject to condition).

Based on feedback received during the *Love My Park* engagement session hosted in August of 2023, Community Services staff have identified that Hooker Street Park needs more shade in the form of a pavilion, additional trees and outdoor games.

The proposed new access may result in the removal of trees along the perimeter of the park. Replacement of the existing trees will be at the expense of the Region. New trees are proposed to be planted in the park as well as on the subject lands. More detailed plans for tree replacement will be determined at the site plan stage.

Long-Term Land Lease

Regional Staff do not support constructing this development with a long-term land lease.

Staff note that since the subject property will be provided to another level of government (Niagara Region), there is sufficient assurance that the lands will be maintained for affordable housing. A land lease may be more appropriate in circumstances where the City provides land to a private developer or non-government not-for-profit.

Accordingly, City Staff are recommending the transfer of 184 Denistoun Street through land conveyance.

Community Improvement Plan Incentives

Upon conveyance of the subject lands, Niagara Regional Housing will be eligible to apply for the incentives provided by the recently adopted Affordable Housing Community Improvement Plan (CIP).

Staff are recommending that Niagara Regional Housing be permitted to apply for the Brownfield CIP incentive programs given the site's former industrial use. The Brownfield CIP currently restricts other government organizations from applying for any of the incentives. As such, Council approval of this report is required in order to permit a CIP Application from Niagara Regional Housing to be made. Eligible incentives under a Brownfield CIP would include:

- Environmental Study Grant
- Brownfield Tax Assistance Grant (if remediation is required)
- Brownfield Tax Increment Grant (if remediation is required)
- Brownfield Fees Grant (planning and building fees)

For more information regarding the Affordable Rental Housing and Brownfield CIP Incentives – Please refer to the following web link:

<https://madeinwelland.ca/Incentives/CIPs.asp>

FINANCIAL:

The financial implications associated with the recommendations of this report include nominal legal fees associated with conveyance and registration of the land to Niagara Regional Housing.

The costs associated with the CIP Incentives will be related to project construction, remediation (if required), planning and building permit fees; and, the increase in assessment/taxes to form the tax increment grant.

Should Niagara Regional Housing apply for the incentives, Council will review the estimated grant costs in a staff CIP update memo.

ATTACHMENT:

- Appendix I - Reference Plan - 59R-17992
- Appendix II - 184 Denistoun Street – Proposed Site Plan